sector energy and ideas, to deepen the bilateral economic relationship between India and USA. The recommendations of Indo-US CEO Forum are advisory in nature and are presented to both the Governments for their consideration. Department of Economic Affairs has not received any communication from Indo-US Forum regarding the compliance of its recommendations.

Lowering of fiscal deficit

1538. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Confederation of Indian Industry (CH) has stressed on lowering fiscal deficit which would lower inflation, control interest rates and spur growth;

(b) if so, the details thereof; and

(c) what is the present fiscal deficit in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Various organizations such as Confederation of Indian Industry (CH) stress on lowering of fiscal deficit from time to time. These are advisory in nature.

(c) The present fiscal deficit of the country as per the Handbook of Statistics, 2006-07 published by Reserve Bank of India, for 2007-08 (BE) is Rs. 2,57,867 crore, which is 5.6 per cent of Gross Domestic Product.

Non-imposition of service tax on certain professionals

1539. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that service tax is not imposed on the services offered by solicitors, lawyers and legal consultants;

(b) if so, the reasons therefor; and

(c) by when these professionals are likely to be brought under this tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) At present, services provided by a lawyer in his professional capacity are not leviable to service tax.

(b) and (c) Service tax is leviable on the taxable services specified in section 65(105) of the Finance Act, 1994. Levy of service tax on a service is a policy decision.

Schemes of Nationalized Banks in Vidarbha region

1540. KUMARI NIRMALA DESHPANDE: Will the Minister of FINANCE be pleased to state:

(a) what are the schemes taken up by the Nationalized Banks for helping the poor farmers of Vidarbha;

(b) what is the loaning pattern being followed by these bankers; and

(c) what percentage of the loan goes to the poor farmers in other States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL); (a) and (b) The Government announced a relief package in 6 debt stressed districts in the Vidarbha Region, Maharashtra, which entails waiver of entire interest on overdue loans as on 01.07.2006. reschedulement of overdue loans over a period of 3-5 years

with a moratorium of one year and ensuring enhancement of flow of agriculture credit in such districts. The scheme is being implemented by all Commercial Banks, RRBs and Cooperative Banks, Who are providing loans to the farmers/people of these districts. As on 16.11.2007, interest worth Rs. 824.98 crore has been waived, while loans worth Rs. 1,384.38 crore have been rescheduled. During the year 2006-07, credit worth Rs. 2,012.90 crore was disbursed, while Rs. 1466.75 crore have already been disbursed during this year. Fresh loan amounting to Rs. 674.03 has been issued to 4,84,516 farmers whose accounts were rescheduled.

The banks have been sanctioning loans based on the scales of finance decided in the District Level Technical Committee. They are sanctioning short term credit to farmers against storage receipts facilitating them to avoid distress sale, immediately after harvest and take benefit of price rise during lean season and long term loans to farmers for investment purposes, which would facilitate them to reap higher income out of the assets created out of bank loan. Other measures, *inter-alia,* include extending credit to Self Help Groups (SHGs) through the bank linkage programme, formation of Farmers Clubs to provide a fora to villagers to interact with banks and other developmental agencies, issuing of Kisan Credit Card (KCC) to farmers to ensure institutional credit in a cost effective and hassle free manner.

(c) Both Reserve Bank of India and National Bank for Agriculture and Rural Development have informed that this information is not available.

Anomaly in registering inflation rate by official indices

1541. SHRI S.S. AHLUWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government has been seized of the recent phenomenon where official indices have been registering fall in the rate of inflation whereas the prices of all essential commodities have been registering consistent rise;

(b) if so, the reasons for such anomaly;

(c) the steps contemplated, if any, for ensuring truthful reflecting of prevailing prices of food articles and items of common consumption in the official rate of inflation; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) The inflation measured in terms of WPI for all commodities has decelerated during the current financial year and composite inflation of 31 essential commodities has also moderated in recent months during the current financial year 2007-08 as is indicated in the Table 1.

Table 1. Monthly year-on-year inflation (%)

Period	All Comm.	Essential Comm.
Weight (%)	100.00	17.63
Apr-2007	6.28	3.26
May-2007	5.46	1.67
Jun-2007	4.53	0.85
Ju!-2007	4.71	2.84
Aug-2007	4.14	2.73
Sep-2007	3.32	1.19
Oct-2007	3.02	0.50